

## Investment Objective

Value strategy aims to benefit from the long term compounding effect on investments done in good businesses, run by great business managers for superior wealth creation

## Key Features

1. Large cap oriented portfolio with ~66% weightage
2. 17+ years track record with annualized return of 20.1% since inception (an alpha of 6.1% over Nifty 50)
3. Concentrated portfolio of 22 stocks with high earnings growth
4. Each of the portfolio companies are market leaders in their respective segments

## Portfolio Attributes

1. Index agnostic: ~66% away from benchmark Nifty 50
2. The portfolio delivered returns of ~21.5% in CY19- an alpha of ~9.5% over Nifty 50 for the same period

## Portfolio Actions in last 6 months

- **Companies Added:** GlaxoSmithKline Pharma, LIC Housing Finance, Bharti Airtel
- **Companies Exited:** ICICI Lombard General Insurance, Tech Mahindra, Bharat Forge

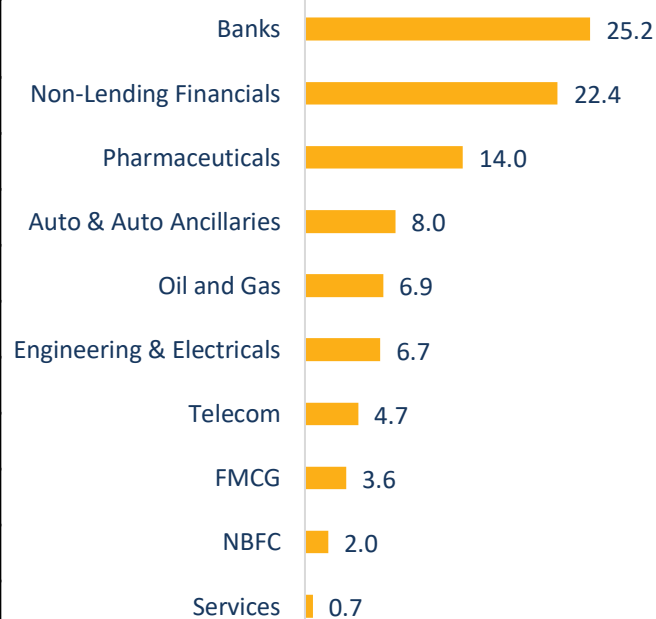
## How Buy Right : Sit Tight works

Company	Initial Purchase Date	Market Cap Rs. Crores (Purchase Date)	Market Cap Rs. Crores (29 <sup>th</sup> May 20)	Absolute Growth	CAGR (%)
HDFC Bank	Jul-08	40,986	5,22,106	12.7X	24%
HDFC Life Insurance Company	Nov-17	69,229	1,05,643	1.5X	19%
Ipca Laboratories	May-18	9,239	18,885	2.0X	43%

Wealth creation is achieved through holding quality companies for a long period of time

## Top 10 Holdings & Sectoral Allocation

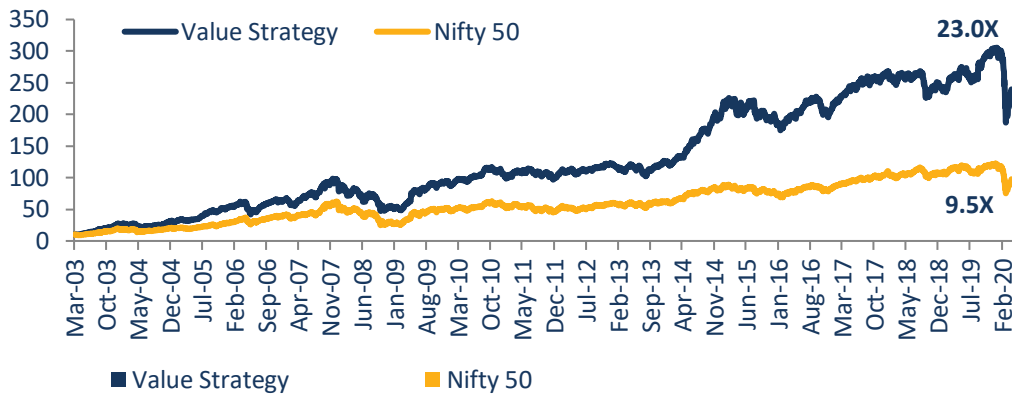
Scrip Names	% Holding
Max Financial Services	11.4
ICICI Bank	8.9
HDFC Bank	8.7
HDFC Life Insurance Company	8.2
Dr Reddy's Laboratories	5.9
Ipca Laboratories	5.5
Bharti Airtel	4.7
Kotak Mahindra Bank	4.6
Larsen & Toubro	4.5
Bharat Petroleum Corporation	4.1



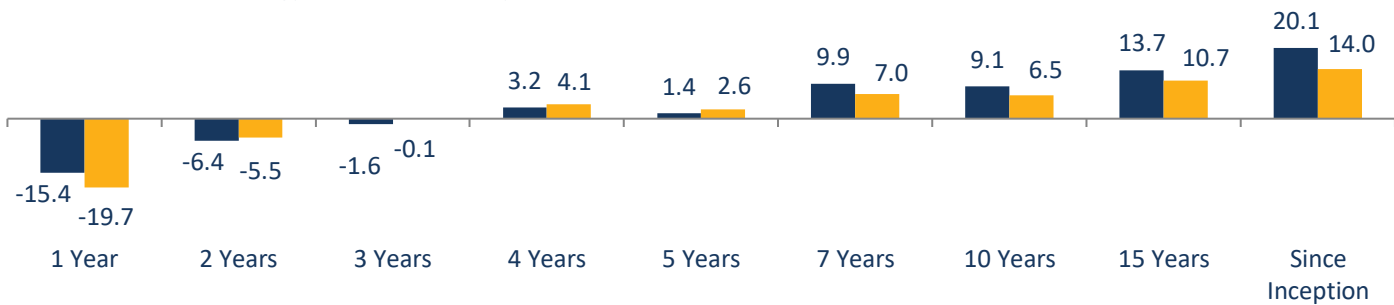
## Disclaimers and Risk Factors

Value Strategy Inception Date: 25<sup>th</sup> Mar 2003; Data as on 31<sup>st</sup> May 2020; Data Source: MOAMC Internal Research; RFR: 7.25%; \*Earnings as of December 2019 quarter and market price as on 29<sup>th</sup> May 2020; Source: Capitaline and Internal Analysis; Please Note: The above strategy returns are of a Model Client as on 31<sup>st</sup> May 2020. Returns of individual clients may differ depending on time of entry in the Strategy. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Returns below 1 year are absolute and above 1 year are annualized. Strategy returns shown above are post fees & expenses. The stocks forming part of the existing portfolio under Value Strategy may or may not be bought for new client. Name of the PMS Strategy does not in any manner indicate its future prospects and returns. The Company names mentioned above is only for the purpose of explaining the concept and should not be construed as recommendations from MOAMC.

## Performance Since Inception



Value Strategy has delivered a CAGR of 20.1% vs. Nifty 50 returns of 14.0%, an outperformance of 6.1% (CAGR) since inception (25<sup>th</sup> March 2003)



## Fund Contributors (1 Year Trailing 29<sup>th</sup> May 2020)

Top 5	Contribution
Ipca Laboratories	2.1%
HDFC Life Insurance Company	2.1%
Dr Reddy's Laboratories	1.9%
Max Financial Services	1.1%
Bharti Airtel	0.3%

Bottom 5	Contribution
Axis Bank	-1.8%
ICICI Bank	-2.2%
Bajaj Finserv	-2.3%
Larsen & Toubro	-2.3%
HDFC Bank	-2.5%

## \*Portfolio Fundamentals

	TTM
PAT Growth	45%
RoE	15%
PE	29

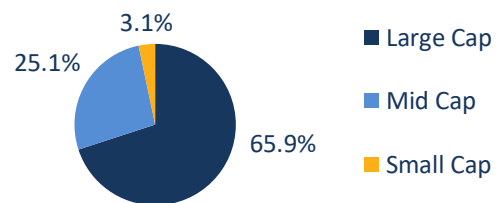
## Ageing

Number of Scrips	Holding Period
2	> 10 Years
1	> 5 Years but < 10 Years
10	> 2 Years but < 5 Years
9	< 2 Years

The average holding period for stocks held under Value Strategy is about 3 years and 2 months

\*The Portfolio has been repositioned towards high growth companies over the past 2.5 years: 14 stocks have been bought into the portfolio since November 2017

## Market Capitalization



Weighted Average Market Cap Rs. 1,35,802 Crs

## Risk Ratios

3 Year Data	Strategy	Benchmark
Churn Ratio	30.2%	-
Standard Deviation	20.0%	20.3%
Beta	0.8	1.0
Sharpe Ratio	-2.6	-1.5

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